



Union of Concerned Scientists

MEMORANDUM

January 31, 2006

To: Climate Action Team
From: Union of Concerned Scientists (UCS)
RE: UCS Comments to Climate Action Team Draft Report

We applaud the multi-agency Climate Action Team for its extensive work and resolute dedication toward producing a meaningful Climate Action Team (CAT) report with detailed analyses and specific policy recommendations to the Governor and State Legislature on how to substantially reduce California's contribution to global warming.

The tone set by the Governor and the work undertaken by CalEPA and other agencies clearly indicates that there is a strong and sincere commitment among policy-makers at the highest levels in the state to address what many say is the biggest challenge facing our planet for the rest of this century.

We appreciate the opportunity to provide input and look forward to the incorporation of our comments into the final report.

Programmatic Emission Reduction Strategies: It is not apparent from the draft report as to which strategies outlined in Table ES-3 and discussed in Chapter 5 of the report can be executed under existing statutory authority and which will require additional state legislation to implement. The final report should be specific in this regard so the Governor, legislators and agency administrators will know where their attention is needed most in the near term.

The final report should clearly outline which strategies the Climate Action Team (CAT) is identifying for implementation through agency action this year and which proposals the CAT is recommending that new legislation be introduced. We urge CAT to clearly indicate for each of these strategies that they are either fully underway or are *recommendations for action*, not merely options for consideration.

Mandatory Reporting of Greenhouse Gas Emissions: The creation and implementation of sound public policy requires that thorough and accurate information be readily available for regulators and policymakers. UCS fully supports the creation of a statutory requirement for thorough and verifiable reporting of greenhouse gas emissions for sectors and facilities that are identified as the larger sources of emissions. All GHGs (as defined in subdivision (h) of section 42801.1 of the Health and Safety Code) must be included as part of any comprehensive GHG emissions-reduction program.

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We would support re-constituting the California Climate Action Registry, originally created by state legislation, as a new state agency under CalEPA to be the repository of the emissions reporting information as they are clearly the most suited to fulfill that role in California.

Governor's Targets and an Enforceable Cap on Greenhouse Gas Emissions: We commend the Governor for identifying statewide GHG emission reduction targets to help facilitate our state's efforts to combat global warming. As the Administration is serious about long-term greenhouse emission reductions, the next logical step is for the Governor and Legislature to work together to codify the Governor's emission reduction targets and support the institution of an enforceable and declining cap on greenhouse gas emissions for the sectors of the economy that comprise the largest emitters.

While existing or potential sector-specific regulatory programs offer important opportunities for reducing emissions, it is virtually certain that a strong, enforceable cap on emissions will be needed to achieve the scale of GHG reductions called for in the Governor's targets. Moreover, we recommend that adequate flexibility with appropriate safeguards be incorporated into the implementation of the cap in order to achieve the maximum amount of reductions in the least amount of time.

Municipal Utilities: The draft report outlines a handful of program policies relative to municipally-owned electric utilities. We urge the Climate Action Team to include in its set of specific policy recommendations that state legislation be introduced and signed into law to require the inclusion of the municipally-owned utilities in the various current and proposed renewable energy, efficiency, and greenhouse gas reduction programs as identified in the draft report.

Clean Car Incentives: While the timely implementation of the Greenhouse Gas (GHG) emissions standards for vehicles sold in California will make a substantial contribution to meeting the Governor's emission reduction targets, the transportation sector will continue to be the largest source of GHG emissions in California for the foreseeable future. That is why UCS strongly supports the creation of a self-financing, market-based program of incentives and disincentives that will encourage the purchase of cleaner new cars while discouraging the purchase of the highest-emitting new vehicles. Additionally, a strong program such as this will, in all likelihood, encourage auto manufacturers to offer more lower-emitting cars to California residents.

Public Goods Charge (PGC) on Transportation Fuels: We believe that this is an attractive option to fund energy efficiency and clean fuel diversity efforts. UCS would support a modest PGC on petroleum-based fuels as long as the bulk of the funds are earmarked toward workable and cost-effective GHG emission-reduction programs. We suggest that a portion of these funds be earmarked toward the creation of the Governor's Hydrogen Highway Network.

Investment in Technological Innovation: UCS supports direct and indirect incentives to develop and disseminate GHG emission-reduction technologies. Moreover, we firmly believe that the existence of enforceable regulatory policies has proven to be one of the

most effective methods of stimulating technological innovation in the private sector. Efforts to promote technological innovation must be a compliment to clear and enforceable regulations, not a substitute.

Environmental Health and Justice: Environmental justice necessitates climate justice. Low income communities and people of color are expected to disproportionately suffer the impacts of global warming. Those without insurance, access to adequate health care, or the resources to afford air conditioning, change jobs or relocate, and those already exposed to higher levels of pollutants are particularly vulnerable to worsening global warming.

UCS recognizes that many policies to reduce global warming pollutants will have supplemental beneficial impacts on low income communities and communities of color by reducing criteria pollutants or lowering energy costs, for instance. Nevertheless, UCS encourages the state to ensure that no policy or program proposed for climate action lead to increased environmental or economic burden for low income communities, communities of color, or California's most vulnerable populations. Additionally, all climate action policies should be developed with a robust process that pro-actively encourages public participation.

West Coast Governors' Global Warming Initiative: We also recommend that the implementation of programmatic measures and policy recommendations outlined in the Climate Action Report be used to further engage the respective executive branches of Oregon and Washington as part of the continuing effort to realize the goals of the West Coast Governors' Global Warming Initiative.

We hope that those who may call for a slowdown of the process for instituting much-needed action decide instead to engage as responsible stakeholders in helping shape effective policies that genuinely achieve significant reductions in the emission of heat-trapping greenhouse gases as soon as technologically possible.

Thank you again for your good work on the development of the Climate Action Team roadmap to achieving the state's GHG reduction targets. We look forward to working with the Governor, the Legislature and all of the relevant agencies in ensuring that California continues to be a leader in the effort to combat global warming pollution and its likely impacts on our state's citizenry.

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